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COUNCIL AWARDS GRANTS TO LOCAL BUSINESSES TO STIMULATE WNC ECONOMY
Economic Recovery Effort Seeks to Boost Forest Products Industry

Asheville, NC – Land-of-Sky Regional Council (LOSRC) Chairwoman Letta Jean Taylor today announced that the organization will provide grants, totaling \$253,600, to three local businesses to produce jobs and stimulate the economy of Western North Carolina (WNC). The funds will generate jobs by helping forest producers improve their marketing skills and production methods for their forest-based businesses.

The selected businesses, funded through the WNC Forest Products Cooperative Marketing Project, include Appalachian Designs, Bark House Supply Company, and the Boggs Collective. These companies will use the funds to expand and diversify their businesses while providing an estimated total of 15 jobs to under- or unemployed forest producers. These are the first of 10 to 15 contracts that LOSRC expects to award to stimulate the region's economy. LOSRC will award the remaining contracts and funds in the near future.

The USDA Forest Service Southern Research Station, based in Asheville, is providing nearly \$2 million in American Reinvestment and Recovery Act (ARRA) funds for the economic stimulus effort being administered by LOSRC. The President signed ARRA into law on Feb. 17, 2009. The Southern Research Station awarded the ARRA grant to LOSRC in a competitive selection process.

“ARRA provides millions of dollars to jumpstart the economy, create or save millions of jobs, and put a down payment on addressing economic challenges so the nation can thrive in the 21st century,” said Southern Research Station Director Jim Reaves.

Through the project, Appalachian Designs will use \$64,900 in ARRA funds to develop a dry kiln, concentration yard, and certification program for small diameter wood products. With a grant of \$90,700, Bark House Supply Company will expand to market and sell home accessories made from sustainably managed, locally sourced and manufactured forest materials in Spruce Pine. Boggs Collective will receive \$98,000 to create a cooperative workshop, woodshed, woodworking school and virtual gallery to support craftspeople and forest producers.

LOSRC solicited proposals as part of this economic stimulus effort to help improve the forest products industry in WNC. These ARRA funds were awarded through the ‘Request for Proposals’ process. Local companies submitted more than 60 highly competitive project proposals -- requesting over \$4.7 million. The first three businesses funded met the stringent selection criteria highlighted in the ‘Request for Proposals.’ Selection criteria include likelihood of long-term benefits, primary and secondary community impacts, importance of project to WNC forests, qualifications of project leaders, building local capacity and collaboration, and sustainable forest practices.

Project manager Ron Townley is enthusiastic about the prospects for the project. “Our forest producers are in the best position to know what their businesses need to be more profitable. They have great ideas about sharing equipment, branding green product lines, and connecting with local buyers. Our goal is to put them to work making their businesses more competitive. Their success will pay off in stronger rural economies and in keeping our forest products dollars here in the region.”

“We will be operating out of Asheville but will serve forest workers across Western North Carolina,” said Joe McKinney, Council Executive Director. “We are partnering with some very talented organizations. The NC Division of Forest Resources will focus on timber products. The NCSU Mountain Horticulture Center will lead the work on non-timber products. The Appalachian Sustainable Agriculture Project will manage the marketing work and the Southern Forests Network will help us assemble forest producers interested in sustainable forestry. In addition to those partner organizations we have called on two dozen technical advisors from across the Southern Appalachians for their expertise.”

The marketing project helps businesses to be more profitable as demand for forest products returns and the economy recovers. The stimulus effort provides funding to selected businesses to facilitate collaboration among underemployed or unemployed forest workers. The goal is for forest products companies to expand their businesses, thereby positively affecting the entire production chain, from producers to the consumer. The project could eventually employ close to 100 forest producers to explore alternate approaches to production or marketing that can help businesses succeed into the future.

More information about the economic stimulus effort is available at:

http://www.landofsky.org/planning/p_working_lands.html.

LOSRC is a non-profit, voluntary association of local governments that manages regional projects and provides services to its members in the areas of planning, economic and community development since 1966.

The Southern Research Station is comprised of more than 120 scientists who conduct natural resource research in 20 locations across 13 southern states (Virginia to Texas). The Station’s mission is “...to create the science and technology needed to sustain and enhance southern forest ecosystems and the benefits they provide.” Learn more about the Southern Research Station at: <http://www.srs.fs.usda.gov/>.

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